Saskatchewan
Agriculture
and Food

1999
ANNUAL REPORT

SASKATCHEWAN AGRICULTURAL AND FOOD PRODUCTS DEVELOPMENT AND MARKETING COUNCIL

(Agri-Food Council)

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100-05057/

To Her Honour
The Honourable Lynda Haverstock
Lieutenant Governor of the Province of Saskatchewan

Madam:

I have the honour to submit the 1999 Annual Report of the
Saskatchewan Agricultural and Food Products Development and Marketing Council.

Respectfully submitted,

Dwain Lingenfelter
Minister of Agriculture and Food

Honourable Dwain Lingenfelter, Deputy Premier
Minister of Agriculture and Food
Legislature of Saskatchewan
REGINA, Saskatchewan
S4S 0B3

Dear Minister Lingenfelter:

In accordance with section 21 of The Agri-Food Act, I submit herewith the Annual Report of the Saskatchewan Agricultural and Food Products Development and Marketing Council for 1999.

Respectfully submitted,
Jim Long, Chairperson

Duties of Council

The Agricultural and Food Products Development and Marketing Council (The Agri-Food Council) is appointed by government to supervise the activities of marketing and development agencies established under *The Agri-Food Act* (Act). The Council's purpose is to facilitate and regulate the establishment and operation of industry driven marketing and development plans aimed at promotion, development and orderly marketing of agriculture and food products in Saskatchewan.

Once established, marketing and development plans allow producers to regulate the development and marketing of specified agriculture and food commodities. The Agri-Food Council supervises the establishment and ongoing operation of these agencies and reports to the Minister of Agriculture and Food. In this way, the interests of non-producer stakeholders as well as those of the Government of Saskatchewan are upheld and protected.

The duties of the Council include the following:

- advising the Minister on matters relating to the establishment and operation of boards, commissions and any other agencies empowered to operate under the Act;
- reporting to the Minister upon the operation and administration of boards and commissions and for that purpose, making and enforcing such regulations as may from time to time be approved by the Lieutenant Governor in Council;
- consulting and advising producer groups interested in establishing a development or marketing agency;
- reviewing each proposed marketing or development plan and deciding whether to hold public hearings or meetings in respect to the proposed plan;
- conducting votes on proposals for the establishment;
- amendment or termination of plans as required by the Lieutenant Governor in Council or the Minister;
- approving each marketing board order and supervising the ongoing operation and activities of agencies established under the Act;
- investigating and mediating complaints and disputes involving the actions of boards and commissions;
- advising and consulting with agencies on issues relating to the operation of federal-provincial marketing agreements; and
- carrying out other duties as determined by the Minister.

Mission Statement

To Provide Leadership,
To EnsureOpen and Responsible Operation of Agencies Established Under the Act
- and -
To Regulate, Promote and Develop the Marketing of Agricultural and Food Products

Values and Principles

The Council believes in and practices:

- Leadership in developing and supporting competitive agriculture and food industries.
- Open, fair and decisive undertakings under the authority of the Act.
- Accountability for actions affecting the public interest.
- Positive communication and consultation amongst participants.
- Compliance with orders and regulations under the Act.
- Active development of opportunities to fulfil Saskatchewan's agricultural and food production and marketing potential.

Saskatchewan Agricultural and Food Products Development and Marketing Council (Agri-Food Council)

MEMBERS

Mr. Jim Long, Chairperson, Lloydminster
Dr. Murray Fulton, Vice-Chairperson, Saskatoon
Mr. Harold Greyeyes, North Battleford
Mr. Raymond Riviere, Radville
Ms. Doreen Reitenbach (Retired in July 1999)

STAFF

Mr. Roydon G. White, Secretary, Regina

COUNCIL OFFICE

Room 329
Walter Scott Building
3085 Albert Street
Regina, Saskatchewan
S4S 0B1
Phone (306) 787-5952
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Introduction

The Agri-Food Council held eight board meetings and eight tele-conference meetings in 1999 in order to carry out its supervisory role mandated by *The Agri-Food Act*.

Highlights and accomplishments in 1999 were:

- The complete revision of marketing orders for the Saskatchewan Broiler Hatching Egg Producers Marketing Board;
- Initial steps were taken in co-operation with boards and commissions in the adoption of improved financial reporting standards;
- With the support of the Agri-Food Council and Saskatchewan Agriculture and Food, the Chicken Farmers of Saskatchewan have initiated a plan that will double their quota in the next four years.

The Agri-Food Council continued to monitor the Saskatchewan poultry industry's performance under national marketing systems. As national marketing agencies adjust operations to better serve the marketplace, it will be important for the Council to continue to participate with other provinces to fast-track revisions to each of the poultry federal provincial agreements in 2000.

Supervision of Boards and Commissions

In 1999, the Agri-Food Council was responsible to the Minister of Agriculture and Food for the operation and administration of the following development and marketing agencies under *The Agri-Food Act*:

- The Saskatchewan Alfalfa Seed Producer Development Commission,
- The Saskatchewan Broiler Hatching Egg Producers' Marketing Board,
- The Saskatchewan Canola Development Commission,
- The Chicken Farmers of Saskatchewan (formerly the Saskatchewan Chicken Marketing Board),
- The Saskatchewan Egg Producers (formerly the Saskatchewan Commercial Egg Producers' Marketing Board),
- The Saskatchewan Flax Development Commission,
- The Sask Pork Development Board,
- The Saskatchewan Pulse Crop Development Board,
- The Saskatchewan Sheep Development Board, and
- The Saskatchewan Turkey Producers' Marketing Board.

In order to fulfil its responsibility for these agencies, members of the Agri-Food Council engaged in the following activities:

1. Reviewed the minutes of regular and annual meetings of boards and commissions;
2. Attended meetings of boards and commissions and reported back to the Agri-Food Council;
3. Participated in joint meetings of the Agri-Food Council and representatives from the following agencies:
   a. The Saskatchewan Sheep Development Board;
   b. The Saskatchewan Pulse Crop Development Board;
   c. The Saskatchewan Broiler Hatching Egg Producers Marketing Board,
   d. The Chicken Farmers of Saskatchewan;
   e. The Saskatchewan Egg Producers;
   f. Sask Pork Marketing Group;
4. Members and officials of Agri-Food Council attended special and annual meetings of the following agencies:
   - The Saskatchewan Alfalfa Seed Producers Development Commission,
   - The Saskatchewan Broiler Hatching Egg Producers' Marketing Board,
   - The Saskatchewan Canola Development Commission,
   - Chicken Farmers of Saskatchewan,

- Saskatchewan Egg Producers,
- The Saskatchewan Flax Development Commission,
- Sask Pork Marketing Group,
- Saskatchewan Pulse Crop Development Board,
- Saskatchewan Sheep Development Board, and
- The Saskatchewan Turkey Producers' Marketing Board.

5. Reviewed requests for changes to marketing and development plans and operating orders to ensure their provisions accurately reflect needs, operations and activities of agencies established under the Act. These reviews included the following plans:

   - The Saskatchewan Broiler Hatching Egg Producers' Marketing Plan Regulations,
   - Chicken Farmers of Saskatchewan;

6. Cooperated with the poultry marketing boards in representing Saskatchewan's interests at meetings of national marketing agencies;

7. Officials of the Agri-Food Council attended three meetings of the National Association of Agri-Food Supervisory Agencies held in conjunction with annual meetings of the four national poultry marketing agencies.

8. Reviewed the annual reports and financial statements of all boards and commissions; and

9. Investigated complaints, mediated disputes and conducted two appeal hearings in response to concerns raised by producers.

Approval of Board and Commission Marketing Orders

Marketing boards and commissions exercise certain powers granted to them by their marketing and development plans through marketing orders. These orders require Council approval.

In 1999, there were many decisions with the Chicken Farmers of Saskatchewan and the Saskatchewan Broiler Hatching Egg Producers Marketing Board about amendments to the orders. No policy packages were developed that the Council could agree to and thus, no orders were approved in 1999

New Marketing Plans Established 1999

Under *The Agri-Food Act*, the Minister of Agriculture and Food refers new marketing plans to the Agri-Food Council for review and recommendation. There has been no new marketing or development plans established in 1999

Appeals Under the Act

The Agri-Food Act allows any person aggrieved by a decision of a board or commission to appeal the matter to an appeal committee appointed by the Minister of Agriculture. The Agri-Food Appeal Committee hears the parties involved, and makes a ruling on the appeal. The membership of the Appeal Committee in 1999 consisted of members of the Saskatchewan Agri-Food Council.

Saskatchewan Broiler Hatching Egg Producers' Marketing Board

In August of 1999, an appeal hearing was convened to address a complaint made in relation to actions of the Saskatchewan Broiler Hatching Egg Producers Marketing Board. A producer was objecting to the process and rationale employed by the Board's in cancelling his production licence. The producer was concerned that the Board's decisions were made and implemented contrary to current regulations and orders of the Board. The Appeal Decision concluded that the Board had failed to follow quota and licence cancellation procedures required under the Act and regulations and directed the Board to reinstate the producers licence.

Saskatchewan Egg Producers

In October of 1999, a Saskatchewan based egg grader filed an appeal under The Agri-Food Act against a decision of the Saskatchewan Egg Producers (Board). The grader was expressing concern about the Board's decision to lower the rate of compensation for egg grading. Although the complaint had significant similarities with an appeal conducted in 1998, it was necessary to conduct a hearing to determine whether circumstances had changed enough to warrant rendering a new decision. If in the view of the Appeal Committee, the appellant was raising the same issue, then the original appeal decision on the matter would stand. Under law, an Appeal Committee cannot hear the same case twice.

Although the hearing identified cause to render a new decision, it was concluded that the Board had acted in accordance with its authority and in the interests of improving industry efficiency. The Appeal Decision upheld the Board's decision to lower grading allowance.

Provincial Agency Operations

Saskatchewan Alfalfa Seed Producers Development Commission (SASPDC)

107 Science Place
Saskatoon SK S7N 0X2
P: (306) 956-7275; F: (306) 956-7247

The Saskatchewan Alfalfa Seed Producers Development Commission (SASPDC) was established on July 24, 1997. The 2nd SASPDC annual meeting was held in Saskatoon on January 12th, 1999. The current SASPDC Board is comprised of the following directors:

Bill Weighhill, Chairperson, Carrot River
Sheldon Dowling, Vice-Chairperson, Prince Albert
Ernest Holinaty, Porcupine Plain
David Kushniruk, Melville
Clem Lalonde, Zenon Park
Gaylord Mierau, Langham

Wayne Goerzen, Executive Director, Saskatoon

SASPDC's Establishment

The Commission was established on July 24th, 1997 and collection of the levy commenced on August 1st, 1997. Initially, the levy was set at $0.0075 (3/4 of one cent) per pound of alfalfa seed. The levy is mandatory in nature and completely refundable to producers twice each year.

Purpose of the Commission

The general purpose of SASPDC is to provide for The general purpose of the Commission is to provide for the orderly and effective development of the alfalfa seed industry in Saskatchewan. Specific purposes of the Commission are:

- To promote and develop the alfalfa seed and alfalfa leafcutting bee industries in Saskatchewan;
- To develop procedures to maximize returns to producers;
- To encourage the production of a uniform high-quality product;
- To gather, compile and distribute information related to the production, processing and consumption of alfalfa seed and the management of alfalfa leafcutting bees;
- To conduct and encourage research on the production, processing and consumption of alfalfa seed and the management of leafcutting bees;
- To promote and improve understanding among individuals and organizations within the alfalfa seed and alfalfa leafcutting bee industries;
- To establish a system of levies on alfalfa seed crops for carrying out the purposed of the Commission; and
- To represent and lobby on behalf of registered producers in matters relating to the development of the alfalfa seed and alfalfa leafcutting bee industries.

Mandate of the Commission

The establishment of the Commission was established to assist in the growth of the alfalfa seed and alfalfa leafcutting bee industries in Saskatchewan. As the availability of government funding for research and development is affected due to reduced budgets, the Commission allows alfalfa seed producers to take on a role in the funding of research and development. Through the commission, producers have major input in the utilization of levy funds collected; collection of the levy also makes it possible for the alfalfa seed and alfalfa leafcutting bee industries to match funds with government under new funding initiatives in order to support research and development projects in which the alfalfa seed producers are directly involved.

Research Priorities of the Commission

Consultation to determine the research priorities of Saskatchewan alfalfa seed producers is ongoing. Priority research requirements in the areas of alfalfa seed production and alfalfa leafcutting bee management were most recently identified through the 1999 SASPDC producer research priority survey. Two research projects currently underway

include a project to determine value-added components of alfalfa seed (in partnership with Agriculture and Agri-Food Canada (AAFC)) and a project on the development of a prototype of alfalfa leafcutting bee incubator (in partnership with SASPA). A third research project to determine optimum soil fertility requirement for alfalfa seed production is in the final planning stages (in partnership with AAFC). Research in other priority areas will be undertaken as levy funds become available to the Commission.

Financial Status

Table #1

Summary of Financial Operations for the year ending July 31, 1999

Revenue:	**Budgeted**	**Actual**
Levies and interest	$ 75,000	$113,057
Interest	--	43
Other	--	--
Total	**$ 75,000**	**$ 113,100**
Expenses:		
Administration	$5,500	$10,388 *
Director Meetings	5,000	3,697
Levy refunds	--	6,187
Research	65,000	50,383**
Total	**$ 75,500**	**$ 70,655**
Surplus (Defecit) End of Year		**$ 42,445**

* Administration costs were higher because of higher audit costs and a research tax credit feasability study.

** Research projects included an Alfalfa Seed Value-Added Project and on LCB incubator project

The Saskatchewan Broiler Hatching Egg Producers Marketing Board

The Directors of the Saskatchewan Broiler Hatching Egg Producers' Marketing Board for 1999 were:

Merv Slater, Chairperson, Unity
Victor Loewen, Vice-Chairperson, Waldheim
Tim Keet, Director, Grandora

Ronalda Kleinsasser, Secretary/Manager, Luseland

The purpose of the Board is to regulate the production and marketing of hatching eggs, to maintain a stable price and ensure an adequate supply of hatching eggs to meet the market demand.

Producer Numbers and Quota Allocation

Fourteen producers registered with the Board in 1999, a number that has not changed since 1992. The total amount of eggs set in 1999 was 14,774,944. This is an increase of 1,798,984 eggs from the previous year.

Table #2

Production Year	Number of Eggs Set	Increase (Decrease) From Pervious Year	% Increase (Decrease) From Previous Year
1999	14,774,944	1,798,894	12.176%
1998	12,975,960	1,361,641	10.494%
1997	11,614,319	(424,449)	(3.655%)
1996	12,038,768	(656,231)	(5.054%)
1995	12,694,999		

Table #3 shows the flock size of producers from 1994 to 1999.

Table #3

Flock Size (No. of Hens)	Number of Quota Holders by Year					
	1994	1995	1996	1997	1998	1999
100 - 2,999	3	3	3	3	3	3
3,000 - 4,999	1	1	1	1	1	1
5,000 - 6,999	2	2	2	2	2	1
7,000 - 9,999	5	5	5	5	5	4
10,000	1	1	1	1	1	3
18,000	1	1	1	1	1	1
28,500	1	1	1	1	1	1
Total	14	14	14	14	14	14

Quota Changes

No quota changes were reported for 1999.

Minimum Price

The minimum price is not established on the eggs, rather the price is established on the basis of the chicks that hatch from the eggs. The price that producers received in 1999 was $0.345 per saleable chick FOB at the beginning of the year and $0.3475 per saleable chick FOB at the end of 1999.

Producer Levy

The levy for 1999 was set at $0.25 per bred chick purchased.

Marketings

Table #4 describes the performance of the industry over the last 4 years.

Table #4

Broiler Hatching Egg Marketings 1996 – 1999	1996	1997	1998	1999
Total Eggs Set	12,038,768	11,614,391	12,975,960	14,774,944
Total Chicks	9,611,759	9,241,798	10,079,567	11,652,370
Estimated $ Value	$3,220,257	$3,165,912	$3,495,476	$4,032,575
Based on 75 per cent hatchability				

Extension Services

The University of Saskatchewan extension services are funded by the combined contribution from Saskatchewan's four poultry marketing agencies. Dr. William Audren, poultry extension specialist and Dr. Sandra Stephens, veterinarian, provided extension services to the boards. The service is supervised and administered by Dr. H. Classen (Animal & Poultry Sciences) and Dr. C. Riddell (Veterinary Pathology), reporting to the Research and Extension Committee.

The Board's assessment for the cost of extension services for 1999 was $5,630. The cost of the services for 1998 was $6,820. The cost of extension services decreased by $1,190 or approximately 17 percent. Objectives of the program were to:

- Monitor industry performance;
- Identify and solve industry problems;
- Investigate individual production problems;
- Communicate advances in poultry production;
- Act as a liaison to individuals supplying feed, medication and equipment to the poultry industry.

Outlook for 2000

The potential to increase broiler breeder production in the province over the next year is contingent upon the allocation of new production quota. To date no new quota allocation has been undertaken. The 2000 production levels will be approximately 325,000 head per week or 16,900,000 saleable chicks (including imports).

Financial Status

Table #5

Summary of Financial Operations
For the year Ending December 31, 1999

Revenue:	**Budgeted**	**Actual**
Producer Levies	$ 69,000	$ 26,075
Other	190	195
Total	**$ 69,190**	**$ 26,270**
Expenses:		
Administration	$ 38,249	$ 37,816
Directors Meetings	23,000	18,291
Extension Program	5,630	5,630
Total	**$ 66,879**	**$ 61,737**
Net (Loss/Gain)	**$ 2,311**	**($ 35,467)**
Surplus at beginning of year		**$ 30,834**
Surplus at end of year		**($ 4,633)**

Saskatchewan Canola Development Commission (SCDC)

212 – 111 Research Drive
Saskatoon SK S7N 3R2
P: (306) 975-0262; F: (306) 975-0136
www.canolainfo.org/scdc
scdc@scdc.sk.ca

The Saskatchewan Canola Development Commission (SCDC) was established on Feb 6, 1991. The Board of Directors for 1998-1999 included:

Raymond Wilfing, Chairperson, Meadow Lake
Zenneth Faye, Vice-Chairperson, Foam Lake
Barbara Podhorodeski, Treasurer, Shipman
Lorne Christopherson, Director, Weldon
Roger Kaeding, Director, Churchbridge
Michelle Fleury, Director, McKague

Arlaine Moe, Administrative Officer

The Commission's Vision Statement

"Shaping Canola's Future for Producer Profitability"

The Commission's Mission

To enhance canola producers' competitiveness and profitability through a producer led and controlled fund to support research, market development and extension activities.

Administration and Finance

The Provincial Auditor of Saskatchewan annually examines the Commission's systems of internal control, legislative compliance and financial statements. The Commission's Board of Directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

There are thirty buyers registered with the Commission who purchase canola and submit levy. The commission collected $1,376,008 from the check-offand refunded $51,359 or 3.7%. In accordance with the Commission's regulations the check-off is $0.50 per tonne and producers may request a refund of check-off paid.

SCDC maintains two reserve funds. The general reserve is to provide funds to complete projects in the event of a reduction of producer check-off fees and the refund reserve is to provide refunds of check-off fees in the case of the dis-establishment of the SCDC. The funds are invested in bonds and debentures with fixed interest rates and mature within the next five years.

The Commission employs four full time staff and contracts two consultants.

Canola Production

Canola was seeded on approximately 6.56 million acres in Saskatchewan in 1999. The gross revenue from canola ($800M) was the highest of all crops seeded in Saskatchewan. The average yield was estimated at 27 bu/acre, well above the 20-year average yield of 21.8 bu/acre.

Check-offs

The check-off rate is $0.50 per tonne, unchanged from last year. There were approximately 60,000 producers registered with SCDC in 1999. The net check-off revenue generated for the years 1995 to 1999 are represented in Table #6.

Table #6

Net Check-off Revenue

	1998/1999	1997/1998	1996/1997	1995/1996
Check-Off Income	$1,376,008	$1,278,4917	$1,048,491	1,080,597
Refunds	51,359	29,953	17,842	17,334
Net Total Income	$1,324,649	$1,248,964	$1,030,649	1,063,263

Canodev Research Inc.

TOn July 25, 1994, SCDC incorporated a wholly owned subsidiary, Canodev Research Inc. The purpose of the corporation is to administer fund research and development projects. Canodev was originally structured for the purpose of receiving tax rebates under Revenue Canada's Scientific Research

and Experimental Development Tax Incentive Program. During 1999, Canodev's application for the refundable investment tax credit was denied by Revenue Canada. This has resulted in no refundable investment tax credit being recorded as revenue and no receivable being recorded in the current year.

Research Projects

The Saskatchewan Canola Development Commission invested $458,223 in research projects and crop production centres in 1998 – 1999. Approximately 46 projects received funding In 1999. The percentage breakdowns of the research funds are as follows:

Agronomic research - 59%
Plant breading – 9%
Crop production centers – 18%
Canola meal - 14%

Market Development

The Canola Information Service (CIS) continued as the market development and promotion arm of SCDC. A total of $320,644 was invested in market development last year. CIS was involved with the following initiatives in 1999:

- The Food Writers Tour (Canola Camp);
- Saskatchewan Bounty, an organization which promotes joint projects between commodity organizations;
- A stir-fry recipe brochure and an annotated bibliography.
- CIS attended nine food service and nutrition related trade shows in Canada, the USA and Korea;
- CIS continues to answer questions from consumers, dietitians, foodservice and media;
- The website (www.canolainfo.org) receives over 20,000 hits per month from all over the world.

Extension

The following activities were undertaken in 1999:

- The SCDC Annual Meeting
- SCDC exhibited at the Crop Production Show in Saskatoon
- Sponsored grower extension meetings and field days
- A new tabletop display was created
- Two issues of Canola Matters were distributed
- The SCDC mascot "Buddy" continued to entertain and raise awareness at local fair and parades
- SCDC sponsored two Agriculture in the Classroom programs
- The Canola Learning Center was launched
- The SCDC website was enhanced

Industry Issues

- Genetically Modified Organisims
- Food Quality Protection Act
- Canola Oil Quality and Types
- Identity Preservation

Outlook for 2000

SCDC will continue to look for new opportunities to create awareness and promote the canola industry through the Canola Information Service. Development opportunities for 2000 have been identified in the following:

- Attendance at nine trade shows throughout North America
- Field Days
- Development of Cookbooks and brochures

Public education

Financial Status

Table #7

Summary of Financial Operations for the year ending July 31, 1999

	Budget	Actual
Revenue:		
Levies and interest	$1,300,000	$ 1,376,008
Interest and other income	140,000	203,370
Total	**$1,440,000**	**$ 1,579,378**
Expenses:		
Administration	$379,200	$ 390,104
Director Meetings	95,000	86,077
Levy refunds	--	51,359
Other	111,000	199,634
Total	**$ 585,200**	**$ 727,174**
Assests available for research and development		
Research and Development	$596,970	$ 377,895
Market Development	458,000	320,644
Extension	124,000	98,524
Unallocated surplus	(324,170)	55,141
Total	**$ 854,800**	**$ 852,204**

Chicken Farmers of Saskatchewan (CFS)

1810 - 9th Ave. North
Box 1637
Regina SK S4P 3C4
P: (306) 775-1677; F: (306) 949-1353

The Saskatchewan Chicken Farmers Marketing Board elected in 1999 were:

Charles Stueck, Chairperson, Abernethy
Nick Sloboshan, Vice-Chairperson, Vanscoy
Gary Vanderveen, Director, Dalmeny
David Keet, Director, Vanscoy, Resigned January 2000
Bob Wiens, Director, Regina, Resigned January 2000

Van Stewart, Secretary/Manager, Regina

Board Objectives

The Chicken Farmers of Saskatchewan, together with the Chicken Farmers of Canada, regulates the quantity of chicken produced in Saskatchewan. The Saskatchewan Board sets the price of chicken through negotiation with poultry processors. The objective of the Board is to improve and stabilize producer returns by managing product supplies; also to supply high quality, wholesome food to the consumer at a most reasonable price.

Producer Numbers and Production

There were 73 producer licenses issued in 1999. The Board approved four transfers in 1999, which involved a total of 228,873 kilograms per cycle, as compared to nine transfers of 641,297 kilograms per cycle in 1998.

Table #8

1994 - 1999 Distribution of Quota Holders

KGS Per Year	1994	1995	1996	1997	1998	1999
0 - 100,000	3	4	4	3	2	0
100,001 - 150,000	13	5	6	6	6	1
150,001 - 200,000	7	14	13	13	14	4
200,001 - 300,000	29	20	22	22	22	17
300,001 - 400,000	8	12	12	11	13	20
Over 400,000	13	18	17	18	16	31
Total Producers	73	73	73	73	73	73

The quota base for Saskatchewan in 1999 was 4,268,526 kilograms per cycle. The base was 4,111,350 kilograms by A23, the cycle that overlapped from 1998 to 1999. In 1997 a conversion was permitted to allow Cornish hen producers to utilize their quota. The permit remains in place until further notice. Annual production numbers, when given, are based on 7-week cycles (7.44 cycles per year).

TABLE 9 - Saskatchewan Chicken Production, 1990 - 1999, illustrates a trend of increased production and live weight (KGS) for a period of 10 years, including the total dollar value of chicken produced in Saskatchewan.

Table #9

Year	Number of Birds	Live Weight KGS	Aver. Bird (KGS)	Farm Gate Returns, $Million
1990	10,033,071	19,177,256	1.91	22.80
1991	9,952,326	19,078,803	1.92	21.50
1992	9,773,261	18,047,835	1.85	20.80
1993	10,817,451	19,916,486	1.84	23.20
1994	12,206,599	22,296,105	1.83	24.10
1995	11,381,794	20,927,375	1.84	18.11
1996	11,277,863	20,936,536	1.86	24.11
1997	12,049,705	21,809,966	1.81	27.22
1998	12,122,181	21,941,147	1.81	26.42
1999	14,601,629	26,539,949	1.81	29.68

Levies

The levy for 1999 was unchanged at $0.013 per kilogram. The CFC receives 0.44¢ from the 1.3¢ levy, leaving 0.86¢ for Saskatchewan operations.

Marketing & Promotions

The marketing activities for the Board in 1999 were unchanged from pervious years:

- Saskatchewan Food and Wine Festival
- Canadian Western Agribition
- Sponsorship of the Heart and Stroke Association Golf Tournament Fundraiser

Extension Services

The CFS participated in a joint project with Saskatchewan's other feather boards. The project was developed to assist producers, helping them reach their production potential (detail listed in SBHEPMB report). The cost to the CFS for the project in 1999 was $46,360. The cost of the services for 1998 was $44,317. The cost of extension services increased by $2,043 or approximately 4.6 percent.

CFC Expansion Agreement

The change to the structure of the Saskatchewan industry occurred early in 1999 when Lilydale Co-Operative announced the purchase of Sunnyland Poultry.

The Expansion Agreement with the CFC, signed in November of 1998, allows the CFS to double its production over the next four years. The first stage of the four-year agreement was in 1999. The four-year schedule called for a 15% increase over the base in 1999. In 1999, an average increase of 11.6% was achieved.

The CFC cycle at the end of 1998 and beginning of 1999 had a combination of too high an allocation in many provinces and over production in some provinces. The result was a build up of storage stocks that plagued industry decision making throughout 1999. This over-production resulted in Saskatchewan conceding some production in 1999 and tacking on the lost production to a fifth year of the expansion agreement.

This agreement was complemented with a Memorandum of Understanding between the CFS and the Agri-Food Council that addressed the expansion issues for Saskatchewan.

Outlook for 2000

There are several issues to deal with in the upcoming year, both provincially and nationally. The Memorandum of Understanding that was signed between CFS and Saskatchewan Agri-Food Council has to be acted upon as the CFS pushes on to make the Expansion Agreement with CFC a reality. An examination of the current Board Orders will occur, with changes recommended to complement the expansion agreement.

The majority of the growth in 2000 is anticipated to come through roaster sales.

Financial Status

Table #10

Summary of Financial Operations for the year ending December 31, 1999

	Budgeted	Actual
Revenue:		
Levies	$256,248	251,093
interest	1,200	1,487
Other	54,529*	145
Penalties	--	36,644
Total	**$ 311,977**	**$ 289,369**
Expenses:		
Administration	$145,090	$ 213,837**
Director Meetings	40,600	58,944
Extension Program	45,000	46,360
Other	1,500	4,023
Marketing	--	71,786
Promotions	8,500	5,317
Total	**$ 240,690**	**$ 400,267**
Net (Loss)/Gain	**$ 71,287**	**$ (110,898)**
Surplus at beginning of year		**$ 141,827**
Surplus at end of year		**$ 30,929**

* The CFS budgeted $54,529 in accounts receivable that were not collected in the 1998 budget year.

** The CFS was assessed $58,367 in penalties by the CFC.

The Saskatchewan Egg Producers (SEP)

Box 1637, 1810 – 9th Avenue North
Regina SK S4P 3C4
P: (306) 924-1505; F: (306) 924-1515

The Directors of the Saskatchewan Egg Producers' Marketing Board for 1999 were:

Bert Harman, Saskatoon
Tim Wiens, Regina
Stan Fehr, Hague
Cliff Coloborn, Delisle
Dave Hofer, Lumsden
Dan Entz, Gull Lake

Dave Mackie, Manager

SEP, in conjunction with the Canadian Egg Marketing Agency (CEMA), sets quota for eggs produced in Saskatchewan for the table-egg market and sets the price of eggs. The Board's objectives are to improve and stabilize producer returns and ensure a supply that meets consumer demand.

Producer Numbers and Quota Allocation

Table #11 shows the 5-year flock size of producers from 1994 to 1999.

Table #11

	Number of Quota Holders by Year					
Flock Size	1994	1995	1996	1997	1998	1999
0 - 1,000	1	1	1	1	2	1
1,001 - 3,000	11	9	8	8	4	5
3,001 - 5,000	15	16	16	17	17	15
5,001 - 10,000	25	25	24	22	24	25
10,001 - 20,000	16	16	17	18	17	18
20,001 and Over	10	10	10	10	11	10
Total	**78**	**77**	**76**	**76**	**75**	**74**

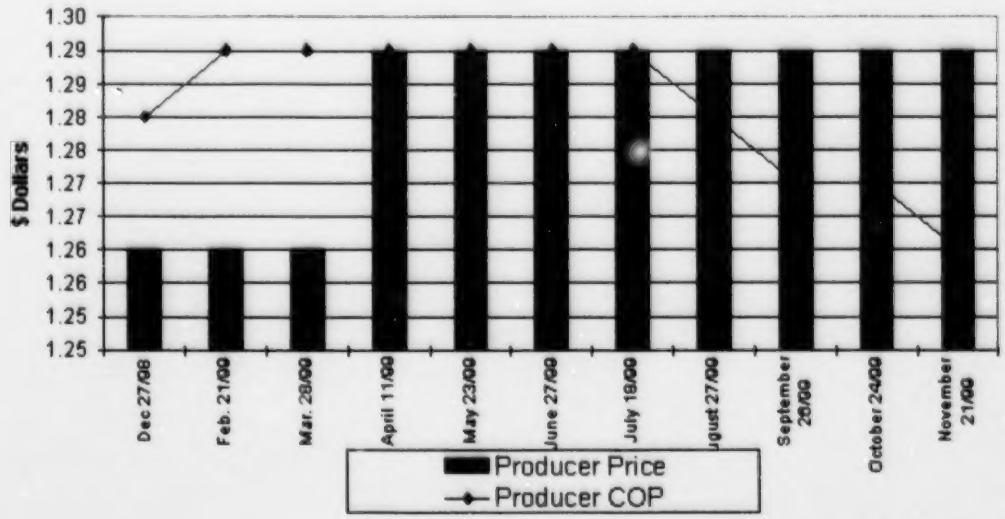
Quota Changes

The Board applied to CEMA for an increase of quota for 1998 production. The Board received notice from CEMA requesting that a signed contract for market supply be in place to receive an increase in quota. The last of the "98" and "99" Quota Increases were placed in December 1999. Total Provincial Issuance is 819,620 hens. National Allocation is 821,676, leaving 2,056 in reserve.

Minimum Price

Producer price changed once (1) throughout 1999. In July CEMA changed the buyback to whichever is lowest – Published Producer Price or Cost of Production (C.O.P.).

Chart #1 1999 Egg Prices



Producer Check-offs

The provincial levy is allocated to two funds: the Administrative Fund, which covers Saskatchewan's administration and promotion; and the Surplus Removal Fund, which provides additional funds to remove industrial product in the Province that is not covered nationally. The 1998 levy price was set at 19.4 cents per dozen eggs. The levy for 1999 remained unchanged. Of this, the Board absorbed 0.9 cents per dozen eggs

Marketings

Table #12 describes the performance of the industry over the last 3 years.

Table #12

Licensed Producer Reported Marketings

Period	1997	1998	1999	Layer Inventory
1	1,363,219	1,377,898	1,398,423	772,762
2	1,345,525	1,304,546	1,373,296	768,340
3	1,360,154	1,299,696	1,371,493	764,373
4	1,390,519	1,351,346	1,424,215	774,287
5	1,363,822	1,407,801	1,364,271	752,469
6	1,460,346	1,439,468	1,420,638	770,927
7	1,377,683	1,403,354	1,414,383	767,190
8	1,384,925	1,362,451	1,470,579	784,072
9	1,414,076	1,477,720	1,522,830	793,302
10	1,316,077	1,379,538	1,466,743	760,319
11	1,275,515	1,381,717	1,391,551	776,917
12	1,412,244	1,421,707	1,531,915	799,303
13	1,329,266	1,428,199	1,486,921	773,341
Total:	**17,793,371**	**18,035,441**	**18,637,258**	

Industrial Product

Total declarations for 1999 were 246,384 boxes (15 dozen eggs). This is 3,616 boxes under what was budgeted for and 38,392 boxes over what was declared in 1998. In 1998, industrial production declaration totaled 207,992 boxes, up 15,386 boxes from 1997.

Marketing & Promotion

- CEMA completed new television commercials late in 1999 for airing in 2000.
- Three retail promotions including recipe leaflets were completed in 1999.

Research

The total spent on research in 1999 was $36,775. Of this, $34,510 was for the Extension Program and $2,265 went towards a survey.

Extension Services

The Saskatchewan Egg Producers participated in the same project as the other feather boards. The cost to the Saskatchewan Egg Producers for the project in 1999 was $34,510. The cost for 1998 was $40,898. The cost of extension services decreased by $6,388 or approximately 16 percent from 1998.

Outlook for 2000

A new Executive Director for CEMA will be hired in 2000.

CEMA and the provincial agencies have been working with RANA International, a mediation company hired to help resolve some conflicts that have developed between provinces. Their final report will be presented to the CEMA at the end of March.

Financial Status

Table #13

Summary of Financial Operations for the year ending December 31, 1999

	Budgeted	Actual
Revenue:		
Levies	$ 473,135	$384,483
Interest and other income	59,800	75,053
Over quota penalties	2,900	18,726
Licences	170	77
Total	$ 536,005	$ 478,339
Expenses:		
Administration	$233,850	$217,547
Director Meetings	87,000	90,784
Promotion Programs	45,000	23,734
provincial Share of Levy	159,000	255,305
Research and Studies	38,000	36,775
Total	$ 562,850	$ 624,145
Net Loss/Gain	$ (26,845)	$ (145,806)
Excess Revenue (Expenses) from Industrial Project Removal Program		$ 153,882
Excess revenue for the Year		$ 8,076
Surplus		
Balance, Beginning of Year		$ 1,646,435
Balance, End of Year		$ 1,654,511

Saskatchewan Flax Development Commission (SFDC)

A5A – 116 – 103rd Street East
Saskatoon SK S7N 1Y9
P: (306) 664-1901; F: (306) 664-4404
www.saskflax.com
saskflax@saskflax.com

The SFDC was established on April 16, 1996. The Board of Directors for 1998-1999 were:

Chris Hale, Chairperson, Rouleau
Ron Gilmour, Vice-Chairperson, Craik
Terry Boehm, Allan
William Farley, Regina
Barry Karol, Kelliher
Allen Kuhlman, Vanguard

Linda Braun, Executive Director, Saskatoon

Visioning of Long Term Goals (by the year 2017):

- To promote and support the value-added processing of all flaxseed and its products (flour, oil, meal, straw fibre) within Saskatchewan to increase returns to the producers.
- To achieve and sustain 4 M acres of flaxseed production in Saskatchewan, make a significant contribution to the Saskatchewan economy ($500 M annually) and add value to society through job creation.
- To be the leader in enhancing flax production and value-added processing in Saskatchewan through a strategic, integrated industry approach based on effective communication.
- To generate maximum returns to the producers through research and marketing efforts.

Mission Statement

To promote and enhance flax production and value-adding processing of flax products in Saskatchewan for maximum return to producers through market research, leadership and communication in the industry.

Administration

The Commission continued to operate from its Saskatoon location and renewed its contract with Linda Braun for the position as Executive Director. Check-off dollars were allocated to research, market facilitation and communication. The cumulative surplus of $300,000 was allocated to Appropriated Reserve ($100,000) and Research ($200,000).

As per Saskatchewan Flax Development Commission Plan Regulations, call for nominations for two director positions was conducted. Returning Officer, R. Thorstad declared Ron Gilmour and Allen Kuhlman as directors, each for a three year term.

The Commission represented the interests of flax producers at various meetings of the agri-food sector within the province.

The Commission's priorities for 98/99 and for 2000 include investigation/research in areas of flax fibre utilization (strategy development) and nutraceutical markets (regulations, potential for flax components) as well as communication challenges (who's who in the industry and where can partnerships be formed to enhance growth and development).

Check-offs

The Commission continued its relationship with Levy Central (a service offered by the SCDC, collecting the check-off from producers) regarding the coordination and management of the flax check-off. Period 2 (August 1, 1998 to January 31, 1999) and Period 1 (February 1, 1999 to July 31, 1999) rebates were verified and payments completed. The check-off is mandatory but refundable and affects all flax sold in Saskatchewan. The check-off level is $1.18 per tonne seed and $.50 per tonne straw.

Communication efforts explaining the check-off (mandatory but refundable) continued via the newsletter, as topics at agriculture extension days and personal contact.

Producers/Production

1999 flax production figures

- There are approximately 16,000 registered flax producers in Saskatchewan
- 1.4 M acres seeded
- 1.385 M acres harvested with an average yield of 20.9 bushels per acre
- 734,100 tonnes flaxseed production

Communications

The Commission continued its relationship with Levy Central (a service offered by the SCDC, collecting the check-off from producers) regarding the coordination and management of the flax check-off. Period 2 (August 1, 1998 to January 31, 1999) and Period 1 (February 1, 1999 to July 31, 1999) rebates were verified and payments completed. The check-off is mandatory but refundable and affects all flax sold in Saskatchewan. The check-off level is $1.18 per tonne seed and $.50 per tonne straw.

Communication efforts explaining the check-off (mandatory but refundable) continued via the newsletter, as topics at agriculture extension days and personal contact.

Research

For the fiscal year ending July 31, 1999 the Saskatchewan Flax Development Commission was involved and/or supported these research projects:

- AAFC – The effects of fertilizer, environment and location in cadmium accumulation in flax;
- AAFC – Formulation and application of a biocontrol agent for control of Canada thistle in flax;
- AAFC/CDC – Expansion of flax breeding into northern and eastern Saskatchewan;
- College of medicine (U of S) – Evaluation of secoisolariciresonal diglucoside (SDG) isolated from flax seed in the prevention and treatment of type II diabetes mellitus;
- AAFC – Screening of PGRC flax germplasm collection for elevated SDG levels;
- U of S – Chemical and functional characterization of hull and protein fractions prepared from flax/ solin using novel separation processes;
- AAFC – Flax growth and development: understanding yield formation and the effects of critical stress periods on final grain yield;
- PGRC – Flax germplasm – Characterization and screening for seed oil quality;
- College of Medicine (U of S) – Evaluation of secoisolariciresonal diglucoside (SDG) isolated from flax seed for the prevention and treatment of high blood pressure;
- PGRC – Acquisition of Russian germplasm; and CDC – Flax and solin varieties for eastern Saskatchewan.

Market Development

The Commission developed the following materials in 1999:

- "Great Recipes Using Saskatchewan Flax" was produced and disseminated to consumers;
- "Flax Family Favourites", a forty page recipe book was produced in cooperation with the Flax Council of Canada;
- Promotional aids were developed (flax display, presentation folders) for utilization at trade shows, conferences, seminars and meetings where it required a presence;

The Commission participated in the following activities in 1999:

- The Commission's Market Facilitation Strategy was implemented in the food market;
- Attended the Saskatchewan Food and Wine Festival (October, Moose Jaw);
- Canola Information Service – Canola Camp provided opportunities for the Commission to introduce flax menu ideas and product information to food professionals and food writers from North America;
- Initiated projects within the functional foods and nutraceutical sectors;
- Participated in the Canadian Institute of Food Science and Technology (CIFST) 41st conference "Food, Health and Science";
- Marketplace 99 – National Nutritional Foods Association Annual Convention and Trade Show.

Industry Issues :

Issues the Commission addressed in 1999 included:

- Low commodity prices/farm economy.
- Transportation.
- Environmental conditions (weather, straw burning).
- Lack of standards regarding fibre utilization.
- Insufficient research (fibre SDG content).
- Nutraceutical markets regulatory environment.

Financial Status

Table #14

Summary of Financial Operations for the year ending July 31, 1999

	Budgeted	Actual
Revenue:		
Levies	$ 590,000	$591,863
Interest and other income	33,750	34,027
Total	**$ 623,750**	**$ 625,890**
Expenses:		
Administration	$ 75,400	$ 57,935
Director Meetings	25,000	18,544
Levy Refunds	25,000	19,394
Communications	119,870	89,460
Total	**$ 245,270**	**$ 185,333**
Assets Available for Research and Development		
Research amd Development	$ 221,850	$ 197,096
Market Development	129,800	59,255
Unallocated Surplus	26,830	184,206
Total	**$ 378,480**	**$ 440,557**

Sask Pork

Bay 2, Main Floor, 502 – 45th Street West
Saskatoon SK S7L 6H2
P: (306) 343-3504; F: (306) 244-1054

SaskPork was established on April 6, 1998. The Board of Directors for 1998-1999 were as follows:

Leon Lueke, Humboldt
Walter Yates, Gull Lake
Raymond Parent, Hoey
Jerry Pfiel, Humboldt
Alfred LeBlanc, St. Denis
Wayne Isaac, Radisson
Don Neter, Regina

SASK PORK Mission

To be a dynamic service provider to hog producers through promotion, communication programs, research initiatives and quality assurance, all directed at successfully producing competitive, high quality pork.

Check-offs

The check-off rate is $1.00 per hog raised for slaughter in Saskatchewan. The check-off is collected on pigs slaughtered in Saskatchewan as well as outside of Saskatchewan.

Programs, Services and Associations

SaskPork funds and/or administers the following projects and associations:

Quality Assurance
Research Initiatives
Pork Expo and Pork Industry Symposium
Industry and Product Promotion
Canadian Pork Council
Canada Pork International

Canadian Pork Council (CPC)

SaskPork funds the Canadian Pork Council (CPC) at a rate of 9.5 cents per pig. In 1999, CPC funds were used for general office administration, trade access, export diversification, export promotion, nutrition and quality assurance.

In December of 1999, the CPC successfully negotiated the removal of the Sunset Clause that removed any countervailing duty on live hog exports to the United States.

Canada Pork International (CPI)
Canada Pork International (CPI) receives funding from check-offs at $0.01 per pig to provide producer and industry market development and international promotion of the pork industry. CPI is the international promotions agency for the pork industry.

Producer Numbers

Due to the major downturn in prices, a number of producers have decided to exit the industry. Prices are now expected to stay above the cost of production, allowing some producers to re-enter.

Table # 15 Production Numbers

	Producer Size							
Year	1 - 100	101 - 200	201 - 500	501 - 1000	1001 - 2000	2001 – 4000	4001 +	Total
1990	2138	323	412	221	109	48	41	3292
1991	1804	294	410	214	103	42	48	2915
1992	1782	352	428	210	109	43	51	2975
1993	1757	309	394	203	101	44	55	2863
1994	1819	313	349	191	100	43	59	2874
1995	1850	228	332	188	94	44	65	2801
1996	1416	216	240	132	87	36	74	2201
1997	994	150	167	124	74	79	73	1611
1998	*	*	*	*	*	*	*	*
1999 - Projected	763	115	152	89	51	35	69	1274

* No Numbers Available

Table #16 Production

Year	Production (# of Hogs)
1990	929,138
1991	948,095
1992	1,025,534
1993	1,035,765
1994	1,025,334
1995	1,107,737
1996	1,016,681
1997	935,270
1998	*
1999	1,275,609

* No Numbers Available

Research

SaskPork provides funds for research from two separate funds. The Prairie Swine Centre (PSC) receives 25 cents/pig from the check-off. The funds received from this check-off are provided to PSC to allow them to carry out research activities. PSC uses this producer funding to access matching funds from other sources.

SaskPork also provides approximately $0.06 cents per pig for other research organizations and to associations such as Veterinary Infectious Disease Organization (VIDO), Foundation for Animal Care Saskatchewan Inc. (FACS), Centre for Ag Medicine (U of S), Prairie Agriculture Machine Institute (PAMI) and the Western College of Vet Med.

The focus of the Research Priorities are industry sustainability, animal health and environment. Sask Pork's priorities are in line with the Canadian Pork Council's initiatives in research.

The Sask Pork Research Committee will continue to provide direction for research initiatives through the administration of the $1M Industry Sustainability Fund and allocate levy generated funds to research.

Quality Assurance

SaskPork is part of a working group in Saskatchewan that developed the Quality Assurance (QA) Program through the Canadian Pork Council. The working group consists of one (1) staff member from Saskatchewan Agriculture and Food - Pork Central signed up for the QA program. This program has received funding from CARDS and the Agri-Food Innovation Fund (AFIF) to assist in the start up stage. The Saskatchewan government passed legislation in 1998 that governs quality assurance programs for all sectors in Saskatchewan. This legislation ensures that there is a provincial organization such as SaskPork, licensed by the provincial government, to deliver the program.

SaskPork will be licensed by the Canadian Pork Council as the only delivery agent for the Canadian Quality Assurance Program in Saskatchewan.

Pork Expo and Pork Industry Symposium

SaskPork works in partnership with Saskatchewan Agriculture and Food - Pork Central to deliver both programs. Pork Expo and the Pork Industry Symposium have continued to grow and evolve. Both programs continue to generate a profit and logistics are handled by a contract coordinator.

An information library is being continually updated.

Pork Industry Symposium has initiated a half-day program for barn workers with a focus on in barn systems.

Industry and Product Promotion

Sask Pork added a Communications Director position to implement a program aimed at addressing issues outlined in a November 1999 Angus Reid survey that measured the general public's perception of the hog industry. This position also carries out the mandate of the Communications Strategy for Saskatchewan's Pork Industry as developed by Saskatchewan Agriculture and Food, Sask Pork and the Saskatchewan pork industry.

The Communication Strategy is administered by Sask Pork and an industry task force provides direction.

In 1999 SaskPork continued to participate in the publication of a weekly newsletter. SaskPork had several other promotional campaigns and participated in a number of industry trade shows and exhibitions.

SaskPork provides sponsorship and/or support to various groups including:

- The Saskatchewan Meat Processors Association
- Kelsey Institute Retail Meat Cutting Program
- "Ag in the Classroom"
- Foundation for Animal Care in Saskatchewan (FACS)
- Canadian Western Agribition Sale of Champions
- The Association of Saskatchewan Home Economists
- Saskatchewan food industry shows such as Premiere '99.

Other Funding Accessed by SaskPork

$1M Industry Sustainability Fund: Sask Pork's Research Committee, through the Agri-Food Inovation Fund, was given responsibility for administering this fund. The Committee has identified needs, developed a strategy and established a time frame for the use of these funds. A major component will be to fund environmental research, i.e. manure management. This will be undertaken in conjunction with the establishment of a communications liaison position that will communicate the research findings to the appropriate sectors of the Saskatchewan pork industry.

Industry Issues

Key Issues addressed by Sask Pork in 1999:

- Quality Assurance;
- Food Safety;
- Industry sustainability;
- Environmental Issues;
- Packer Consolidation; and
- Safety Net programs for producers.

Objectives for 2000

- To amend Sask Pork's governance structure and policies;
- Continue to manage existing programming being offered to the industry;
- To investigate new programming and producer services;
- Implementation of a levy-integrity program; Continue delivery of the Canadian Quality Assurance program.

Financial

Table #17

Summary of Financial Operations for the year Ending December 31, 1999

Revenue:	**Actual**
Government grants	$87,371
Hog Check-off	1,261,026
Interest	9,400
Prairie Swine Centre Levy	14,205
Total	**$1,372,002**
Expenses:	
Administration	$ 377,422
Canada Pork Council	121,877
Directors and Delegates	100,301
Research (including the Prairie Swine Centre)	433,906
Quality Assurance	97,136
Total	**$1,120,642**
Net (Loss/Gain)	**$ 251,360**
Bad debt recovery	**$ 263,831**
Excess revenue over expenses	**$ 515,191**
Net assets at beginning of year	**$ 111,013**
Net assets at end of year	**$ 626,204**

* *Budget numbers were not submitted in tme for printing.*

Saskatchewan Pulse Crop Development Board

#218 – 111 Research Drive, Saskatoon SK S7N 3R2
P: (306) 668-5556, F: (306) 668-5557
e-mail: pulse@skpulse.sk.ca

The Directors of the Saskatchewan Pulse Crop Development Board in 1999 were:

Garry Meier, Chairperson, Ridgedale
Germain Dauk, Vice-Chairperson, Naicam
Glen Annand, Mossbank
Shawn Buhr, Lucky Lake
Lyle Minogue, Lacadena
John Serhienko, Blaine Lake
Ron Hundeby, Elbow
Don Meier, Star City

Garth Patterson, Executive Director, Saskatoon
Penny Eaton (Office Manager)

The Saskatchewan Pulse Crop Development Plan was established on July 13, 1984. The general intent of the plan is to provide for the effective development of the Saskatchewan pulse crop industry. The purposes of the plan are as follows:

- promoting and developing the Saskatchewan pulse crop industry;
- developing procedures to maximize returns to producers;
- gathering, compiling and distributing information related to production, consumption and marketing of pulse crops;
- conducting and encouraging research on the production, marketing, processing and consumption of pulse crops; and
- promoting and improving communication amongst individuals and organizations within the pulse crop industry

Vision Statement

The Saskatchewan pulse industry will be the worlds preferred supplier of peas, lentils, chickpeas and beans.

Mission Statement

Our mission is to maximize grower profitability and sustainability.

To provide innovative, professional and accountable leadership to our stakeholders, including producers, processors, exporters, researchers, governments and industry partners.

To support pulse research and variety development.

To influence relevant government policy and pulse industry practices.

To liase and cooperate with other stakeholders in national and international market development.

To provide services and information to Saskatchewan growers to enhance their profitability.

Check-offs

Check-off revenues were $1,617,061 for the fiscal year ending August 31, 1999 up from the $1,509,240 collected in 1998. In 1999 there were approximately 16,000 producers registered with the Pulse Growers, growing pulse crops on approximately 3.1 Million acres.

Research

The Research and Development Committee approved funding of $674,030 in 1999, of which $96,000 was for new projects. The SPG Board continues to support research as a very integral component of a profitable and expanding pulse industry. The use of growers levy dollars to partner with Federal and Provincial research funds as well as the Western Grains Research Foundation, the University of Saskatchewan and other provincial pulse growers associations has given producers extra value.

The annual call for research proposals in both priority and new fields was well received. The R & D Committee short listed proposals, interviewed candidates and suggested changes before final approval. Results from these projects are reported through the newsletter and at the Pulse Days, Winter Pulse Meetings and Pulse Tours.

The Research Committee approved the following projects for funding in 1999:

Researcher	Project	Year of Project
AAFC	Biological Herbicides for pulse crops	4 of 3
AAFC	Applied methods of disease management in pulses	2 of 2
U of S	Improving rumen bypass value for peas in beef and dairy	2 of 1
AAFC	Pea/wheat rotation effects	3 of 5
East Central Res. Fndtn.	Pea inoculant and fertility demonstration	4 of 4
AAFC	Chickpea establishment	1 of 3
AAFC	Crop sequences and row sp. Of pulses in SW Sask.	4 of 4
CIGI	Peas as aquaculture feed	2 of 2
Alta Ag	Streptomyacin replacement in beans	2 of 2
Alta Res C	Control of Seedling Diseases of Chickpea	1 of 3
AAFC	Field scale variety demonstrations at 7 Spoke sites	3 of 5
AAFC	Pea Disease management	1 of 5
NE Agr. Res. Fndtn.	On Farm Dry Bean Production in NE Sask	1 of 2
FRC	Developing Superior Feed Pea Varieties	1 of 2
U of S	Availability of P contained in pea and lentil residue	4 of 3
SPG	Grain legume Conference & Consultations	1 of 1
CGC	Machine vision grading of lentils	2 of 1
U of S	SPG Don Jaques memorial Scholarship	Ongoing
CDC	Pulse breeding program	3 of 5
CDC	Pulse Crop Plant Pathology bridge funding	2 of 1
U of S	Literature review of pulse inoculants	2 of 1
AAFC	Breeding Field Pea Cultivars for Saskatchewan	5 of 5
AAFC	Pea Reaction to Mycosphaerella and Fusarium	1 of 2

Market Development

The objective of the Saskatchewan Pulse Growers Market Development Committee is to increase domestic and international opportunities for Saskatchewan grown pulses. The majority of the market development efforts continue to focus on international markets through the efforts of Pulse Canada. Last year, $226,239 was allocated collected to Pulse Canada for export market development activities.

Pulse Canada serviced a number of projects this past year. Asia was the number one target for both edible and feed pulses, in addition to feeding trials and efforts directed specifically at increasing market access through the reduction of trade barriers. Considerable efforts were also directed at the edible pulse markets in South America, Europe and the Middle East. Promotional material, an international newsletter, web site development and displays on both edible and feed pulses are some of the tools that have been developed to increase international awareness of Canadian pulses.

SPG currently has two representatives on the Board of Pulse Canada. Other members include the Manitoba, Alberta and Ontario Pulse Growers organizations and the Canadian Special Crops Association.

Domestic efforts have focused on increasing the use of feed peas in animal rations. Feed peas are now used in 60% of the hog rations in Saskatchewan.

Extension and Communications Committee

The activities of the Committee included the following:

- Continuation of the newsletter "The Saskatchewan Pulse Grower" with quarterly mail-outs.

- The Annual Pulse Tour was held at Swift Current.
- Four Pulse Workshops held in co-operation with Saskatchewan Agriculture and Food and industry representatives attracting 463 producers.
- Maintenance of an internet website (http://www.skpulse.sk.ca)

The Pulse Production manual is being completely rewritten.

Variety Release Committee

The Variety Release program has been in operation for three years. In the spring of 1999, 26,000 kg of Breeder seed was distributed to 170 Saskatchewan Select Seed Growers. This was comprised of eleven new CDC varieties and nine previously-released varieties.

The new varieties released in 1999 include:

Beans:
- CDC Pinnacle (92235 Pinto Bean)
- CDC Altiro (92802-A Pinto Bean)
- CDC Pintium (93708 Pinto Bean)

Chickpeas:
- CDC Desiray (92040-10 Desi Type)

Lentils:
- CDC Grandora (652 Laird Type)
- CDC Sovereign (804-3 Laird Type)
- CDC Robin (599-23 Red Type)
- CDC Redcap (803-18 Red Type)

Peas:
- CDC Handel (9704 Yellow Type)
- CDC Mozart (9705 Yellow Type)
- CDC Verdi (9710 Green Type)

On January 1, 1997, in exchange for an annual commitment of $340,000 and long-term access to 320 acres of land, SPG was given the distribution rights for all CDC pulse varieties developed while this arrangement is in place.

Industry Issues

Seed cost is a major issue with pulse growers.

Financial Status

Table #18

Summary of Financial Operations for the year ending August 31, 1999

	Budgeted	Actual
Revenue:		
Levies	$ 1,349,924	$ 1,617,061
Interest	68,109	103,658
Other income	280,800	402,591
Total	**$ 1,698,833**	**$ 2,123,310**
Expenses:		
Administration	$231,942	$ 213,244
Director Meetings	139,450	133,744
Total	**$ 496,392**	**$660,624**
Assets Available for Research and Development		
Research amd Development	$ 727,983	$ 674,030
Market Development	356,000	285,815
Extension	166,900	178,063
Unallocated Surplus	(48,442)	324,778
Total	**$ 1,202,441**	**$ 1,462,686**

Saskatchewan Sheep Development Board

2213C Hanselman Court
Saskatoon SK S7L 6A8
P: (306) 933-5200; F: (306) 933-7286
Web: www3.sk.sympatico.ca/sksheep
e-mail: sheepdb@sk.sympatico.ca

The Board of Directors for the Saskatchewan Sheep Development Board for 1998 – 1999 included:

Harry Harder, Clavet, Chairperson
Niall Campbell, Bjorkdale
Rex Furgeson, Maple Creek
Patrick Roche, Estevan
Beverly Davis, Lashburn

Alesa Verreault, Executive Director

The general purpose of the plan is to provide for the orderly and effective development of the Saskatchewan sheep industry. Specific aims are to:

- coordinate and inform the industry on matters relating to the production and marketing of sheep products;
- promote harmony and communication within the industry;
- develop the potential of the sheep industry through extension, development of the market and the promotion of sheep products; and
- ensure the provision of services required for the profitable marketing of sheep products.

Board Vision

"A sheep industry that is competitive and viable within sustainable agriculture, growing and responding to the global marketplace, and offering alternative opportunities for production, processing, and access to diverse markets with producer and consumer support."

Mission

To provide for the effective development of the Saskatchewan sheep industry and the promotion, regulation and marketing of sheep and sheep products.

Opportunity

The Board believes there is opportunity to triple current production of sheep and lambs within the next six years.

Check-off

The check-off is currently set at $1.00 per animal. Last year, the check-off raised $29,530. The Board is having difficulty collecting the check-off from some producers. It is working with the Agri-Food Council to rectify this situation.

Marketing

The SSDB was involved with the following marketing activities in 1999:

- Service the industry through its Sale Assembly Service;
- Facilitate strategic alliances between producers, processors and the retail outlets;
- Producer education;
- Developing a consistent supply of lambs.

Extension Services

The Board was involved with the following activities in 1999:

- Developing seminars;
- Cost of production studies; and the
- Agribition Agri-Ed program and the Saskatchewan 4-H program.

Predation

Predation is an ongoing problem for the sheep industry. The SSDB continues to work with Saskatchewan Agriculture & Food and SERM in this area. The Board is educating producers on how proper management techniques can minimize the impact on their flock.

Public Relations

The Board has attended various public functions, fairs, exhibits, shows and community events to promote the image of the sheep industry. The following areas are a priority of the SSDB:

- Updating the sheep producer database;
- Updating government organizations on industry issues;
- Prepare and distribute Sheep Shape (a quarterly newsletter);
- Print and distribute bulletins;
- Provide market reports to the media.

Environmental Opportunities

- The SSDB continues to operate the Leafy Spurge Project.
- The SSDB continued to educate the public on the opportunities that exist between the environment and sheep.

Research and Development

Work continues in this area as funds are available. Work has been done on carcass quality and recipe development. In the spring of 2000, the Board will be doing a project on bone oil as a predator repellant. The SSDB is represented on the national committee to implement a permanent ID program.

Industry Issues

The Board addressed the following issues in 1999:

- Adequate funding for a growing industry. At present, growth is out-stretching funding which limits involvement in some areas of the industry;
- Check-off (The Board is having difficulties collecting the check-off);
- Need for a value-added chain to reduce dependency on live sales only; and
- Predation is a frustration to producers and needs continual support.

1999 Market Summary

Estimated Size of Industry	
Confirmed Producer List	928
Unconfirmed Producer List	264
Unaccounted for	42
Breeding Ewes	56,400
Rams	1,692
Lambs	84,600
Average Flock Size	46
Over 20 Flock Size	77

Breakdown of Sheep Numbers by Region:		
	Number of Sheep	Number of Producers
Northwest	5,918	147
Northeast	5,572	166
Central	6,280	209
Southwest	12,639	146
Southeast	11,939	260
Total	**42,348**	**928**

Financial

Table #19

Summary of Financial Operations for the year ending September 30, 1999

	Budgeted	Actual
Revenue:		
Levies	$ 48,000	$ 34,022
Interest	300	344
Equipment Sales	12,000	18,546
Grants	144,500	70,500
Handling Fees	18,250	15,526
Pasture fees	--	22,215
predation Project	--	53,302
Other income	22,700	24,687
Total	**$ 215,750**	**$ 239,142**
Expenses:		
Administration	$116,200	$ 120,761
Meetings	9,000	4,216
Strategy-95 Extension	90,550	56,754
Other	--	79,167
Total	**$ 215,750**	**$260,898**
Net Loss/Gain	**$ --**	**$ (21,756)**
Transferred from interest on Strategy '95		**$37,039**
Surplus at End of year		**$ 15,615**
Accumulated Surplus (Defecit) at End of Year		**$30,898**

Saskatchewan Turkey Producers Marketing Board

502 – 45th Street West
Saskatoon SK S7L 6H2
P: (306) 931-1050; F: (306) 931-2825

The Saskatchewan Turkey Producers Marketing Board representatives for 1999 were:

Dennis Billo, Chairperson, Bruno
Jack Rynsburger, Vice-Chairperson, Melville
Fred Kurulak, Director, Biggar
Darrell Reddekopp, Director, Langham
Wayne Goodsman, Director, Saltcoats

Ms. Rose Olsen, Secretary/Manager, Saskatoon

Board Objectives

The Saskatchewan Turkey Producers' Marketing Board participates with the Canadian Turkey Marketing Agency (CTMA) to set the quota for turkeys produced in Saskatchewan. The Board also establishes the minimum price at which turkeys produced in Saskatchewan are sold. The object of the Board is to improve and stabilize producer returns.

Producer Numbers

There were 24 producer licenses issued in 1999.

The Board approved four quota transfers in 1999. Throughout the year, three producers exited the industry, there was one new grower and two production units increased unit size. Four lease agreements were also approved. In comparison, during the 1998 quota period, the Board approved 2 quota transfer agreements and 3 quota lease agreement. The quota allotments for turkey producers is shown in Table #19.

Table #20

Licensed Producers & Quota Allotments		
Base & P3 Tom Quota	**1998**	**1999**
0 - 100,000	6	5
100,001 - 150,000	8	8
150,001 - 200,000	4	3
200,001 - 300,000	4	4
300,001 - 400,000	0	0
Over 400,000	4	4
Total Producers	**26**	**24**

Market Price Changes

Due to proper levels of production and an aggressive new national marketing and promotional campaign, this past year has produced stable prices for all stakeholders. There has not been a single change in the live price paid to producers since February 17, 1999. This compares to seven price changes in 1998 and fifteen price changes in 1997. In Saskatchewan, the growth of Hotel Restaurant and Institutional (HR&I) usage has been growing faster than in any other province during the last few years. Broiler prices at year-end were $1.465 per pound, down $0.02; Hen prices were $1.44/lb, down $0.02 and Toms prices also dropped, to $1.505/lb, down $0.02.

Table #21

	BROILERS		HENS		TOMS	
Date	**Grade A**	**Under**	**Grade A**	**Under**	**Grade A**	**Under**
Dec. 8/97	1.605	1.505	1.58	1.49	1.565	1.515
Jan. 12/98	1.585	1.485	1.56	1.47	1,575	1.525
Feb. 2/98	1.565	1.465	1.54	1.45	1.585	1.535
May 18/98	1.555	1.455	1.53	1.44	1.580	1.530
June 1/98	1.545	1.445	1.52	1.43	1.565	1.515
July 20/98	1.515	1.415	1.49	1.40	1.545	1.495
Aug. 3/98	1.505	1.405	1.48	1.39	1.535	1.485
Sept. 21/98	1.485	1.385	1.46	1.37	1.525	1.475
Feb. 15/99	1.465	1.365	1.44	1.35	1.505	1.455

Market Pricing

The Canadian national average price was approximately $1.46 on Broilers, down $0.03; 1.435 on Hens, down $0.015; and $1.507 on Toms, down $0.023. Saskatchewan prices were very close to the national average pricing.

Table # 22

Turkey Marketings By Province		Total 1998		Total 1999
Saskatchewan	96.8%	5,621,803	74.1%	4,007,878
Alberta	3.2%	215,411	25.9%	1,399,427
Total	**100%**	**5,837,214**	**100.0%**	**5,404,305**

Producer Check-offs

The Saskatchewan Turkey Producers Marketing Boards statement of operations for year ended December 31, 1999 show the levies collected as follows:

Table #23

Board Levy Revenue	**1999**	**1998**	**1999 Increase/ (Decrease)**
Collected by Processors	$71,336	$75,147	($3,881)

Production Allocation

Nationally, the Canadian Turkey Marketing Association (CTMA) Directors agreed to set the 1999-00 global quota at 130 million in response to demands by the processors, another 4 million was also added. Stocks remained low throughout the year. Production for the upcoming 2000-2001 quota year will be the same. At present, the national quota has been set at 130 million. Saskatchewan growers can expect to receive permits of 10,000 to 20,000 kilograms in the upcoming year.

Marketings from May to December were lighter than anticipated, resulting in lower marketings throughout the year.

Individual grower production slightly exceeded the limits of Saskatchewan's provincial allocation last year. Penalties were generally small and not disruptive to individual operations. The policies to "lease" and "transfer" continue to be utilized by growers throughout the year.

Marketing & Promotions

The past year was the Turkey industry's most active year of marketing. Combining the provincial strategy with the national Agency's Generic Marketing Program proved successful. The Generic Marketing Program launched the "Turkey Tuesdays" campaign, developed a series of radio ads, TV ads and print ads in Canadian Living and Chatelaine, developed a new recipe booklet and developed a website.

Provincial association activities included inserting a recipe booklet into Western Living magazine, Two-minute Turkey Tips aired over the CTV networks, development of promotional materials, development of recipe brochures and participation in consumer shows (Taste of Spring and Premier '99).

The Saskatchewan Turkey Producers provided sponsorship to the following events:

- Saskatoon Branch – Chef's Association
- Saskatoon Food & Wine Festival
- Saskatchewan Meat Processors Association – Annual Meeting
- The Saskatoon Soccer fundraising Supper
- Heart & Stroke Foundations Annual golf Tournament
- Chamber of commerce golf Tournament
- Various school and church fundraisers

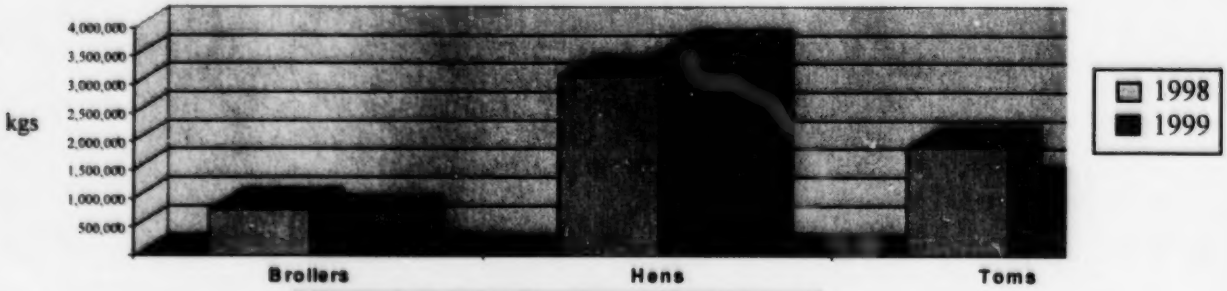
Extension Services

The Saskatchewan Turkey Marketing Board participated in a joint project with Saskatchewan's other feather boards. The project was developed to assist producers, helping them reach their production potential (detail listed in SBHEPMB report). The cost to the Turkey Board for the project in 1999 was $8,347. The cost for 1998 was $20,230.

Outlook for 2000

Turkey producers are entering the second year of the Generic Marketing Program. This is a program intended to increase turkey consumption from 4.3 kgs per capita consumption in 1998, to 6.3 kgs in 2003 (consumption increased in 1999 to 4.9 kgs per capita). The 2000 media plan is to include radio, print ads and recipe cards. Domestic disappearance throughout May to September rose 14% over 1998. Provincially, processors are reporting increased sales in both HRI and retail sectors. Continued growth in sales is expected.

CHART 2 - Saskatchewan Turkey Production, 1998 - 1999, illustrates the market production trend for turkey in kilograms for a 2-year period.



1998	804,636	3,136,160	1,896,418
1999	656,120	3,566,048	1,185,137

Financial Status

Table #24

Summary of Financial Operations for the year ending December 31, 1999

Revenue:	**Actual**
Levies	$ 161,061
Interest	1,401
Other	81,375
Total	**$ 243,837**
Expenses:	
Administration	$ 61,880
CTMA Levy	71,336
Director Meetings	12,034
Promotion Program	43,519
Research and Studies	64,440
Total	**$253,209**
Net Loss/Gain	**$ (9,372)**
Surplus at End of Year	**$ 45,459**

* *Budget numbers were not submitted in tme for printing.*

National Activities

National Marketing Agencies

The Saskatchewan Agri-Food Council is a signatory to three federal-provincial agreements (FPA's). These agreements provide the basis for operation of national marketing agencies for chicken, turkey and eggs. National agencies are essentially producer driven supply management organizations with representation from downstream sectors. The primary mandate of the national agencies is to manage the supply of primary poultry products across Canada according to the terms of the FPAs. Saskatchewan is a member of the Chicken Farmers of Canada (CFC), the Canadian Egg Marketing Agency (CEMA) and the Canadian Turkey Marketing Agency (CTMA). Saskatchewan is not a signatory to the Canadian Broiler Hatching Egg Marketing Agency.

Each national agency allocates a Canadian quota among participating provincial commodity boards, who in turn allocate their provincial allotments to individual producers within provincial boundaries. The national agencies target production to meet market demand at a price which covers the average producer's cost of production plus a reasonable return on investment.

As a signatory to each of the FPAs, the Agri-Food Council is responsible for participating in matters relating to monitoring the operation of national marketing systems and participating in activities to improve their performance. No changes were proposed to any of the FPAs in 1999, and no signatory meetings were required. However, the Saskatchewan Agri-Food Council continues to cooperate with other supervisory agencies to ensure steady progress is made in updating regulatory frameworks. The Agri-Food Council also assists the National Farm Products Council (its counterpart at the national level) in its primary role as supervisor of the national marketing agencies.

The agencies continue to refine their operating agreements to meet the challenges of evolving national and international markets. However, as the next round of World Trade Organization (WTO) negotiations approaches pressure is mounting to ensure that the operations of national agencies are properly housed within the regulatory framework of the FPAs. The Agri-Food Council responds to this challenge through participation in the National Association of Agri-Food Supervisory Agencies (NAASA).

National Association of Agricultural Supervisory Agencies

Saskatchewan continued to actively participate in 1999 as a member of the **National Association of Agri-Food Supervisory Agencies** (NAASA) whose mandate is as follows:

> "To assist the agri-food industry by sharing information, providing direction and supporting an environment that promotes its development and prosperity."

In 1999 the Agri-Food Council continued to participate in a process initiated by Provincial and Territorial Ministers of Agriculture in 1998 to renew the FPAs. Ministers directed NAASA to lead the renewal process to update and modernize the four poultry FPAs. It was important to ensure that the operations of national marketing agencies were fully renewed in order to avoid challenges either domestically or internationally as Canada approaches the next round of the World Trade Organization (WTO). The individual agencies have taken the role in drafting new operating agreements under the FPA structure. Although progress was made in 1999, NAASA's original objective of having new FPA's in place by the end of 1999 was not realized. However, NAASA and the national agencies remain committed to the process and expect new FPAs to be in place before WTO talks resume.